

Establishing the FAME content of imported bioblend

During the meeting of the Biofuels Working Group on 14 August 2007 HMRC agreed to provide a 'pecking order' of acceptable evidence to determine biofuel content (Action point 2).

The methods by which the FAME/HO content of imported blends may be established are listed below. The order represents the preferred procedure for HMRC revenue accounting purposes. In all cases efforts should be made, in the first instance, to obtain separate information from the loadport as per 1 below.

These procedures/order refer only to imports of bioblend. It is envisaged that the identification of the ethanol content in imported bioethanol blend will be more straightforward as we are informed that it can be established accurately by analysis.

1. Separate Bills of lading for the FAME and HO stating actual volumes loaded onto vessel.
2. FAME proportion determined in accordance with the producer's blend ratios for the batch from which the blended product was loaded.
3. FAME proportion determined in accordance with the producer's average blend ratio for the period in which the product was loaded.
4. FAME proportion established by infra red test on receipt into the UK (discharge port analysis).
5. FAME proportion established by infra red test after loading (loadport analysis).

HMRC will not be prescriptive as to the nature of the documents required. Any documentation, commercial or official, will be acceptable provided it is sourced from the originator and there is no reason to doubt its validity, eg a statement of analysis results would have to be provided directly by the cargo surveyors who conducted the analysis rather than as a summary provided by a third party.

The following are concerns:

- a) It would be preferable if some documentary evidence could be provided in order to confirm that the FAME element meets the UK biodiesel definition. Particularly, having regard for the fact that compliance with EN14214 is not necessarily sufficient, as this specification permits sulphur content in excess of the level prescribed by HODA 1979 Section 2AA.
- b) There have been instances where product has been described as FAME but does, in fact, already contain some hydrocarbon oil, eg B99 from the USA. Where any cargo is apportioned on a volumetric basis, calculations will have to take cognisance of any HO which may be present in the 'FAME' element.